

Boards, Commissions, and Committees

Board of Directors, Army and Air Force Exchange Service (AAFES)

Headquarters
Departments of the Army, and Air Force
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SUMMARY of CHANGE

AR 15-110/AF JI 34-203

Board of Directors, Army and Air Force Exchange Service (AAFES)

This Change 1--

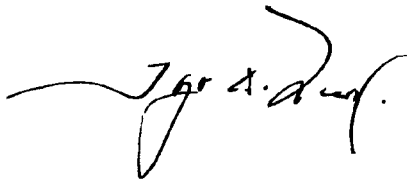
- o Revises the frequency of meetings of the Pay and Compensation Committee from annually to as required by the Chairman, BOD, AAFES.
- o Clarifies the interim change authority of the Air Force.
- o Reflects a change in the composition of the Board of Directors (BOD), AAFES, and the committees of the BOD due to reorganization of both the Army and the Air Force staffs and changes in position titles.

Effective 15 June 1996

Boards, Commissions, and Committees

Board of Directors, Army and Air Force Exchange Service (AAFES)

By Order of the Secretary of the Army:



TOGO D. WEST, JR.
Secretary of the Army

By Order of the Secretary of the Air Force:

Official:

PATRICK O. ADAMS
Brigadier General, USAF
Director of Services

History. This publication was originally printed on 24 February 1995. It was authenticated by Gordon R. Sullivan, General, United States Army Chief of Staff, Milton H. Hamilton, Administrative Assistant to the Secretary of the Army, and Stevan B. Richards, Colonel, USAF Director of Services. This electronic edition publishes the basic 1995 edition and incorporates Change 1. Change 1 to this regulation was printed on 15 May 1996 and was authenticated by Togo D. West, Jr., Secretary of the Army, and Patrick O. Adams, Brigadier General, USAF Director of Services.

Summary. This regulation covers the composition of the Board of Directors, Army and Air Force Exchange Service (BOD, AAFES).

Applicability. This regulation applies to the Active Army, Active Air Force, the Army and Air National Guard, and the U. S. Army and Air Force Reserve.

Proponent and exception authority. The proponent of this joint regulation is the Assistant Chief of Staff for Installation Management (ACSIM). The ACSIM has the authority to approve exceptions to this regulation that are consistent with the

controlling law and regulation. Proponents may delegate the approval authority, in writing, to a division chief within the proponent agency in the grade of colonel or the civilian equivalent.

Army management control process. This regulation is not subject to the requirements of AR 11-2. It does not contain management control provisions.

Committee Continuance Approval. The DA Committee Management Officer concurs in the continuance of the Board of Directors, Army and Air Force Exchange Service, which was established by AR 15-110/AFR 20-38, 1 January 1956.

Supplementation. Supplementation of this regulation and establishment of command or local forms are prohibited without prior approval from Assistant Chief of Staff Installation Management, 600 Army Pentagon, Washington, DC 20310-0600, or HQ USAF/SV, 1770 AIR FORCE PENTAGON, WASH DC 20330-1770.

Interim changes. Interim changes to this regulation are not official unless they are authenticated by the Administrative Assistant to the Secretary of the Army and the Director of Administration of the Air Force. Users will destroy interim

changes on their expiration dates unless sooner superseded or rescinded.

Suggested Improvements. Users are invited to send comments and suggested improvements on DA Form 2028 (Recommended Changes to Publications and Blank Forms) directly to the Chairman, Board of Directors, Army and Air Force Exchange Service, 1290 Air Force Pentagon, WASH DC 20330-1290.

Distribution. Distribution of this publication is made in accordance with the requirements on DA Form 12-09-E, Block number 3143, intended for command level E for the Active Army, Army National Guard, and the U.S. Army Reserve.

Air Force: F

* This change supercedes DA Form 4187, October 1993.

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Glossary

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1. Purpose

This regulation designates the Board of Directors, Army and Air Force Exchange Service (AAFES) (herein after the board), as a permanent Army and Air Force board.

2. References

Required and related publications and prescribed and referenced forms are listed in appendix A.

3. Explanation of abbreviations and terms

Abbreviations and special terms used in this regulation are explained in the glossary.

4. Responsibility

The Commander, AAFES, on behalf of the board, has primary interdepartmental responsibility for the world-wide administration and operation of AAFES activities.

5. Composition of the board

- a. The board will consist of the following voting members:
 - (1) Deputy Chief of Staff/Logistics (DCS/LG), US Air Force (USAF).
 - (2) Deputy Chief of Staff for Personnel (DCSPER), U.S. Army.
 - (3) Commander, U.S. Army Community and Family Support Center (USACFSC).
 - (4) Pacific rim (PACRIM) member (Deputy Commander, U.S. Army Pacific or Vice Commander, Pacific Air Forces).
 - (5) Chairman, Army and Air Force Exchange Service, Europe-Region Council.
 - (6) Commander, Army and Air Force Exchange Service.
 - (7) Deputy Assistant Secretary (Budget) Air Force.
 - (8) Chief Master Sergeant of the Air Force.
 - (9) Sergeant Major of the Army.
 - (10) Air Force Director of Budget Operations.
 - (11) Director of Services, USAF.
 - (12) Director, Transportation Energy and Troop Support, Office of the Deputy Chief of Staff for Logistics (ODCSLOG), U.S. Army (USA).
 - (13) A general officer representing the Reserve Components for rotating a 2-year appointment beginning January 1993.
 - (14) Army member-at-large for a 1-year appointment renewable up to 3 years.
 - (15) Air Force member-at-large for a 1-year appointment renewable up to 3 years.
 - (16) Army member-at-large (continuity) for a 4-year appointment.
- b. Member-at-large appointments will include minority or female members if not already represented.
- c. The PACRIM member will be from the same Service as the chairman of the board, and the chairman, AAFES Europe Council will be from the opposite Service.

6. Alternate board members

- a. Each member of the board may designate a permanent alternate to act and vote during his or her absence. Designations of permanent alternates will be made in writing, to the Chairman of the Board.
 - (1) Permanent alternates for general officer members will be no less than pay grade O6.
 - (2) Permanent alternates for the noncommissioned officer members will be in pay grade E9.
 - (3) Commanders of oversea exchange systems may not serve as members of the board or as permanent alternates.
- b. Temporary alternates may not be designated.

7. Board proceedings

- a. Chairmanship of the board will alternate between the DCS/LG, USAF and DCSPER, USA at approximately 3-year intervals computed from 1 August 1979 when the Army assumed chairmanship. If the chairman is unable to act as chairman, the DCS/LG, USAF or DCSPER, USA (as appropriate) will assume his or her duties.
- b. The quorum required to conduct board business will be nine members.
- c. A board member who is unable to attend a scheduled meeting may delegate his or her vote to another member. (The delegated vote will not be counted for purposes of determining whether a quorum is present.)

8. Direction and control

The board is responsible to the Secretary of the Army and the Secretary of the Air Force, through the respective Chiefs of Staff, for—

- a. Directing the Exchange Service of the Army and Air Force.

b. Determining and approving basic policies, plans, and programs pertaining to the Army and Air Force Exchange Service. The board will ensure staffing with departmental and other Department of Defense (DOD) or non-DOD entities on appropriate matters.

c. Deciding annual financial plans and goals for world-wide operations of the Exchange Service and conducting reviews of operating results.

d. Providing through the Chiefs of Staff to the Secretaries of the Army and the Air Force an annual report on exchange operations. The report will be prepared by the Commander, AAFES and will include the annual audit statement issued by certified public accountants as well as a summary of operations during the prior fiscal year.

e. Providing the Chiefs of Staff with quarterly reports on the status of AAFES. The reports will include policy decisions made by the board and major operational programs and policies of the Commander, AAFES. Reports will be signed by the chairman and DCS/LG, USAF or DCSPER, USA (as appropriate).

9. Committees of the board

Standing committees of the board and their duties, responsibilities, and memberships are discussed below. Each committee operates under the direction of the chairman of the board and is generally constituted so as to provide equal Army and Air Force representation.

a. Executive committee.

(1) The executive committee—

(a) Acts on important items that arise between regular board sessions.

(b) Serves as an advisory group for major plans and programs that will be presented to the board for final decision.

(c) Exercises full authority of the board, except as limited by the board.

(2) Committee membership will consist of the following:

(a) DCS/LG, USAF.

(b) DCSPER, USA.

(c) Commander, AAFES.

(d) Commander, USACFSC.

(e) Director of Services, USAF.

(f) Senior Army member-at-large or Air Force Deputy Assistant Secretary (Budget) (opposite Service of the Commander, AAFES).

b. Finance committee.

(1) The finance committee—

(a) Monitors, reviews and recommends approval of financial policy/plans and long-range construction programs.

(b) Reviews and recommend to the board those projects requiring board approval.

(2) The committee membership will consist of the following:

(a) DCSPER, USA or DCS/LG, USAF (opposite service of board chairman); or his permanent designee from board membership.

(b) Deputy Assistant Secretary (Budget), USAF.

(c) Senior Army member-at-large.

(d) Director of Services, USAF or Commander, USACFSC (same service as board chairman).

(3) Committee chairmanship will be determined as follows:

(a) DCSPER, USA (or designee) when board chairman is Air Force.

(b) DCS/LG, USAF (or designee) when board chairman is Army.

c. Audit committee.

(1) The Audit committee—

(a) Recommends to the Board of Directors the selection of the independent certified public accounting firm to perform an annual external audit of AAFES.

(b) Reviews audit plans of the independent auditor, including the audit scope, objectives, and methods.

(c) Reviews and recommends acceptance of the external independent audit report.

(d) Reviews and examines the organization, staffing, functions, and audit work plans of the AAFES internal audit element; evaluates internal audit reports; and make recommendations for improvements.

(e) Monitors AAFES management implementation of external and internal audit recommendations and external inspection recommendations, and the results of management actions.

(f) Ensures that managerial and accounting controls are reviewed for adequacy and effectiveness.

(g) Coordinates with the finance committee to promote and improve financial accounting and reporting practices and disclosures, as well as management effectiveness.

(2) The committee membership will consist of the following:

(a) Director of Budget Operations, USAF (committee chairman).

(b) Sergeant Major of the Army.

- (c) Director of Services, USAF or Commander, USACFSC (opposite service of board chairman).
- (d) PACRIM member, when Board chairman is Army and Chief Master Sergeant of the Air Force, when Board chairman is Air Force.
- d. Pay and compensation committee.*
 - (1) The pay and compensation committee—
 - (a) Will meet as required by the Chairman, BOD, AAFES.
 - (b) Monitors, reviews, and recommend approval of overall AAFES pay and compensation policies.
 - (c) Tasks AAFES, as required, to conduct specific studies on subjects regarding pay/compensation issues, and reports findings through the committee to the board of directors as appropriate.
 - (d) Reviews other matters concerning pay/compensation as referred to it by the Board of Directors.
 - (2) The committee membership will consist of the following:
 - (a) Director, Transportation Energy and Troop Support, USA (committee chairman).
 - (b) Director of Budget Operations, USAF.
 - (c) Member-at-large, USAF.
 - (d) Member-at-large, USA (continuity).

10. Administrative Support

Office space for meetings and recording and typing of minutes will be provided for by the Army and Air Force Exchange Service. Temporary duty travel funds for board members will come from their respective service travel funds.

Appendix A

References

Section I

Required Publications

This section contains no entries.

Section II

Related Publications

DOD Directive 1015.1

Establishment, Management and Control of Nonappropriated Fund Instrumentalities

DOD Directive 1330.9

Armed Services Exchange Regulations

Section III

Prescribed Forms

This section contains no entries.

Section IV

Referenced Forms

This section contains no entries.

Glossary

Section I Abbreviations

AAFES

Army and Air Force Exchange Service

ACSIM

Assistant Chief of Staff for Installation Management

BOD, AAFES

Board of Directors, Army and Air Force Exchange Service

DCS/LG

Deputy Chief of Staff/Logistics

DCSPER

Deputy Chief of Staff for Personnel

DOD

Department of Defense

PACRIM

Pacific rim

USA

U.S. Army

USACFSC

U.S. Army Community and Family Support Center

USAF

US Air Force

Section II Terms

PACRIM

A geographic location in the Pacific Ocean area.

Section III Special Abbreviations and Terms

This section contains no entries.

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This index contains no entries.

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